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# EXHIBIT 3

#### STATEMENT OF HENRY GELLER

My name is Henry Geller. I am pleased to provide this statement in support of the efforts of MMTC and several other organizations to preserve strong EEO enforcement by the FCC.

I address here the background leading to the Commission's EEO policy, because I believe that this experience militates most strongly for continued effective EEO action by the agency.

I served as General Counsel of the FCC from 1964 through September, 1970, the time period essentially bracketing the Civil Rights Act and the adoption of the FCC's EEO policy. The civil rights movement was in full force. The nation was greatly concerned about the civil disorders then occurring. Indeed, I was sent by the Commission to attend a meeting in New York of the National Commission on Civil Disorders (the Kerner Commission).

The EEO Rule resulted from a petition for rulemaking filed by the Office of Communication of the United Church of Christ (UCC), whose Director was Dr. Everett C. Parker. The petition relied on the 1068 Report of the National Commission on Civil Disorders (the Kerner Report). Chapter 15 of the Report found that the media had failed to communicate to the nation the needs and aspirations of Black Americans, thereby contributing to the enormous social distance and strains which permeated the country then (and still present a most serious problem today). The Johnson Administration decided to endorse the UCC petition, believing that broadcasters must be held to a high standard of fairness and equal opportunity because of the essential role of broadcasting in society. Minority and civil rights organizations also endorsed the petition, pointing

to the inadequate coverage of the causes and consequences of the civil disorders that were taking place at the time.

Broadcasters, led by the NAB, argued that EEO requirements were beyond the regulatory jurisdiction of the FCC, and that such requirements should left to the Equal Employment Oppositunities Commission (EEOC) as a matter of law and policy. See 13 FCC2d at 766. Most significantly, the EEOC disagreed. So also did the Department of Justice. Both urged that not only was it lawful but that it would markedly serve the public interest to have the FCC actively engaged in this area. See 13 FCC2d at 777.

The reason why was obvious then and is still obvious today: Broadcasting is unique in its public trustee role and in its far reaching impact on societal issues, significantly beyond that of any other medium; eliminating discrimination and fostering equal employment opportunities in the broadcast field thus profoundly affects, and contributes to, the nation's knowledge and understanding of the problems confronting minorities, and it is only with such knowledge and understanding that progress can be made in the resolution of these fesering national ills. See 13 FCC2d at 769, 773-75, 777.

The Commission meeting leading to the adoption of the EEO policy was somewhat contentious because the FCC had limited resources to undertake new initiatives. I argued that we had sufficient resources, while the Broadcast Bureau disagreed. Thanks in great part to the advocacy of Commissioner Kenneth Cox, the Commission did adopt the EEO policy and commenced its rulemaking

process in this field. The Commission concluded that it must actively enter the area, despite any limited resources problems. The FCC did begin by making use of the resources and referrals to the EEOC and State agencies, but the Commission gave assurance that the ultimate responsibility was with the FCC, and that it would fully discharge that responsibility.

I strongly believe that this action of the Commission made a big difference and indeed worked a seachange in the broadcast industry. In my view, the time between 1964 and the FCC actions in 1968-69 was a period when the broadcast industry simply was not fully engaged in eliminating employment discrimination fostering equal employment opportunities for minorities in its hiring and training efforts. After the adoption of the EEO rules and follow-up revisions, making this area a crucial facet of renewal, the broadcaster became much more focussed on this important and vital public interest responsibility. I stress that the Commission, with the full backing of the EEOC and Department of Justice, adopted the EEO policy in the broadcast field precisely to move from the slow progress involving equal opportunities to one that made equal opportunities a critical linchpin of the broadcaster's public stewardship and thus that spurred strong steps to eliminate discrimination, including by indifference, and to foster equal opportunities.

In the circumstances, and especially the above experience leading to the adoption of the EEO policy and rules, it would be the poorest possible policy to abandon or cut back on the FCC's EEO

efforts. The societal problems in this area have not been laid to rest: The nation still confronts most difficult and serious obstacles in achieving the much desired goals. Broadcasting can and must still make its vital informational contribution.

Over the years, many broadcasters vieve come to understand that diversity of employment enables them to reach out to markets that they might otherwise not have chosen or known how to reach. The EEO rule has demonstrated its enormous value in promoting diversity of viewpoints — in giving life to the broadcaster's obligation to operate in the public interest. Thus, I oppose the efforts of some broadcasters to convince the Commission that cutbacks in equal opportunity are needed to "reduce burdens" on broadcasters. Such broadcasters have not fully grasped the importance of this policy to the statutory standard — promoting "the larger and more use of [broadcasting]" in the public interest (Section 303(g)), nor the nature of their role as a public fiduciary.

The poem, "Dover Beach," concludes with the lines: "We are as on a darkling plain, swept with confused alarms of struggle and flight, where ignorant armies clash by night." Broadcasting cannot by itself banish ignorance and achieve the peace and harmony sought as to this large national problem. But it surely can and must make its full contribution. That is the reason for the EEO policy, and that is why today it should be fully and effectively implemented.

Henry Geller

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### EXHIBIT 4

#### DECLARATION OF DR. EVERETT C. PARKER

My name is Everett C. Parker. I am joining in these

Comments personally because this rulemaking proceeding, like no
other I have seen in forty years, threatens to lead the
broadcasting industry, which I greatly respect, backward -- down
the beaten path of race and gender intolerance.

In 1954, I founded the Office of Communication of the United Church of Christ. The Office of Communication brought the cases in the 1950's and 1960's which desegregated the broadcasting industry, including the WLBT-TV case (Office of Communication of the United Church of Christ v. FCC, 359 F.2d 994 (D.C. Cir. 1966) and Office of Communication of the United Church of Christ v. FCC, 425 F.2d 543 (D.C. Cir. 1969)). The EEO Rule resulted from a Petition for Rulemaking we filed with the FCC in 1967.

Currently, I teach communications at Fordham University. I also serve as an officer of the Foundation for Minority Interests in Media, which I caused to be founded, Black Citizens for A Fair Media and the Minority Media and Telecommunications Council.

Having observed the industry as it faced the task of desegregation, I am greatly troubled that some broadcasters are making a profoundly ill-advised effort to convince the Commission to cut back on the scope of EEO enforcement, and that the Commission has convinced itself that cutbacks in equal opportunity efforts might "reduce burdens" on broadcasters.

Anyone with a rudimentary knowledge of the American South in the pre-civil rights days knows that the <u>absence</u> of equal opportunity for Blacks imposed enormous economic burdens on Southern industry and inflicted great harm on the Southern economy and on the economic well being of all residents of the South.

In 1960, Atlanta and Birmingham were virtually the same size and enjoyed virtually the same gross economic output. Atlanta's Black and white business and religious leaders decided that job discrimination and the underutilization of Black workers were hurting the local economy. They fostered equal employment opportunities for Blacks and gave Atlanta the slogan "The City Too Busy To Hate."

In Birmingham, Bull Connor and his fire hoses made the city infamous. Martin Luther King called Birmingham "The Most Segregated City In America." The name stuck because it was absolutely accurate.

Atlanta is one of the most well-off, fastest growing cities in the nation. It is home to the nation's second largest airport, the Turner cable news and entertainment networks, and host to the Olympic Games. Birmingham still reaches to catch up.

I point this out because today's generation of broadcasters and FCC officials may be too young ever to have learned that it was not just moral force which broke the back of segregation in the communication industries. It was the realization that discrimination is a drag on the economy, and an impediment to both domestic and global competitiveness, that moved Presidents Eisenhower, Kennedy and Johnson to take the succession of steps which brought official segregation to its knees.

The Office of Communication of the United Church of Christ recognized that broadcasting does not just report and reflect social trends -- it sets them. Therefore, in 1967, we filed a Petition for Rulemaking urging the Commission to adopt what is now the EEO Rule.

Thanks to the leadership of Commissioners Kenneth Cox and Nicholas Johnson, and to the Commission's General Counsel, Henry Geller, our Petition was granted. In doing so, the Commission agreed with our basic premise: an integrated national workforce — stimulated by the leadership of the broadcasting industry — would serve as a powerful engine to fuel economic growth and competition, resulting in stronger market power and earnings for American companies — including broadcasters.

The Commission's decision granting our Petition was extraordinarily eloquent in underscoring that fairness in employment is a measure of one's character. Although many thought this holding to be controversial at the time, it correctly underscored the fact that equal opportunity is, at bottom, a moral issue, irrespective of any economic considerations.

However, a number of farsighted broadcast executives came to realize that ending discrimination and its present effects had profound economic implications. They appreciated that the underutilization of minorities and women imposed tremendous economic burdens on the broadcasting industry, while the full inclusion of all talented Americans in the broadcasting industry was fundamental to the industry's competitiveness and economic health.

How unfortunate that over the past 25 years, the National Association of Broadcasters has not grasped this basic economic fact. Fortunately, some of the NAB's most respected members have taken a stand opposite to the NAB. Thomas Murphy and Daniel Burke of Capital Cities Communications, and Donald McGannon of Group W, were ahead of their time in deciding to carry on EEO programs that delivered far more value than the EEO Rule required. As a result, their companies became beacons for talented minorities and women whose skills were ignored elsewhere. Their companies prospered tremendously and deservedly.

These far-seeing leaders never saw EEO compliance as a "burden." They understood that inequality of opportunity was the real "burden" on society, on all businesses and on the broadcasting industry specifically. They appreciated the fact that strong EEO programs create stronger companies by expanding the size of a company's labor pool, thereby reducing the inefficiencies which obtain when some segments of the labor pool are underutilized.

Furthermore, they understood that in a television or radio station, workplace dialogue among a diverse group of creative people inevitably expands the diversity of viewpoints which are broadcast. Consequently, strong EEO programs enable broadcasters to reach out to new markets they might otherwise not choose to reach -- or know how to reach.

I respectfully submit that if a radio or television station receives only a fraction of a rating point from the pro-competition impact of workplace diversity, the revenues flowing from that increased viewership or listenership would far, far offset the miniscule costs of the telephone calls, e-mails and faxes used for EEO recruitment and the file drawer space consumed by EEO record keeping.

Over the past forty years, I have learned that a poor EEO program is typically a symptom of a poorly run broadcasting station. It is a dirty secret in the industry that companies looking to buy stations know that among most desirable targets are those with the worst EEO records! By artifically restricting its applicant searches to sources which generate few minority or female applicants, such a station may never connect with and hire the best available talent. Worse yet, the station has effectively written off entire segments of its potential audience. Because the station is being operated inefficiently, it draws suboptimal cash flow, enabling a buyer to purchase it for much less than its intrinsic value. The buyer can then turn the station around and make a healthy profit by operating it on an equal opportunity basis.

It is no accident that the most successful broadcasters are not the companies lobbying for the cutbacks in civil rights enforcement to which the Commission has bestowed the misleading name "EEO Streamlining." Many successful broadcasters, who recognize the economic value of EEO, are actually grateful when a public interest organization files an EEO complaint against one of their stations. Why is this? Because large companies' CEO's often find themselves to be insulated by layers of bureaucracy

from station general managers. A CEO may lack the personal time to keep track of middle management's EEO compliance efforts.

Thus, he is not offended by the occasional public interest group EEO complaint which draws his attention to an underperforming unit within his company.

For some companies, EEO compliance is moderately strong medicine -- as it was for Group W and CapCities in the early days. But every patient is thankful later for medicine which makes her health more robust. Surely, some broadcasters will grumble briefly if the Commission sets out seriously to end discrimination and its present effects by the 100th anniversary of broadcasting, as the National Council of Churches, the Office of Communication of the United Church of Christ, the Minority Media and Telecommunications Council and others have urged. But the FCC must do this, for the moral strength and the optimum financial health of the industry depend on it.

I urge the Federal Communications Commission to take a farsighted view of the basic question in this rulemaking proceeding: What is a "burden?" Ending discrimination and its present effects will do far more than any of the short-sighted proposals in the NPRM to "reduce burdens on broadcasters." The time has come for the Commission to lift permanently from broadcasters the burden of economic inefficiency generated by inequality of opportunity.

Everett C. Parker

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July 9, 1996

### EXHIBIT 5

#### DECLARATION OF JAMES L. WINSTON

I, James L. Winston, respectfully state as follows:

I am the Executive Director and General Counsel of the National Association of Black Owned Broadcasters ("NABOB"). NABOB represents the interests of African American owned radio and television stations.

Black owned broadcasting stations are proud to be the very best EEO "supercompliers" in the industry. To the best of my knowledge, not one of the approximately 200 Black owned broadcasting stations has ever received any kind of EEO sanction. Also, to the best of my knowledge, none has ever been the subject of an FCC EEO Branch staff investigation pursuant to Bilingual Bicultural Coalition on the Mass Media v. FCC, 595 F.2d 621 (D.C. Cir. 1978). In no segment of the industry do minorities have a better chance for career development than in Black owned broadcasting stations.

The FCC's NPRM on "EEO Streamlining" identifies the parties in need of relief from "regulatory burdens" as "broadcasters." The NPRM would have been more accurate had it more specifically referred to "certain nonminority broadcasters." Since becoming Executive Director of NABOB in 1982, I have heard Black station owners identify numerous critical concerns: lack of access to capital, discrimination by financial institutions, discriminatory audience measurement methods by ratings services, discrimination by advertisers, the loss of the FCC's tax certificate policy, the continuing erosion of the Commission's multiple ownership rules, and many others. I have never heard a Black station owner identify EEO compliance or recordkeeping responsibilities as a burden which requires Commission "streamlining."

EEO compliance is not a burden for Black station owners, because we are usually sought out by young minority persons seeking to enter the business. Black owned stations are very frequently the first point of entry for African Americans and other minority persons seeking to break into broadcasting, but we cannot hire and train all of the minorities seeking to enter this business. Black station owners see effective EEO enforcement as an important impetus for creating the trained African American talent for the growth of Africam American ownership. If the Commission does not continue to require nonminority owned stations to hire, train and promote minorities, there will be an inadequate pool of experienced media professionals to move up into key management positions at our stations or to become owners themselves.

That is why NABOB was delighted to see that the NPRM recognized that "employment discrimination in the broadcast industry inhibits our efforts to diversity media ownership by impeding opportunities for minorities and women to learn the operating and management skills necessary to become media owners and entrepreneurs." NPRM, FCC 96-49 (released February 16, 1996) at 3 ¶3.

Intense competitive pressure has been placed on Black station owners by last year's loss of the tax certificate policy and by the multiple ownership provisions in the Telecommunications Act. These developments have created a substantial risk that we may lose many of our stations.

Thus, NABOB is quite dismayed that the FCC would even consider any material cutbacks in EEO enforcement. We recognize that the FCC has framed the issue as whether "burdens" on

broadcasters can be eased while "maintaining effective industry EEO oversight." NPRM at 10 ¶17. But it is not enough merely to "maintain" EEO oversight, given the high level of discrimination which continues to infect the industry we love. Instead, the FCC should be soliciting proposals to make EEO enforcement much more effective than it is now.

The Regulatory Flexibility Act requires the FCC to identify any "burdens" on any "party" as part of any notice of proposed rulemaking. The EEO Streamlining NPRM is incomplete at best, since Black owned broadcasters will be profoundly burdened by any cutback in EEO enforcement:

- Nonminoity broadcasters will have even less of an incentive to train African Americans and other minorities for broadcast careers. This responsibility -- and the attendant costs -- will fall even more heavily on Black owned broadcasters, who will always do more than our share of this training.
- The pool of African American professionals available to us when we wish to hire experienced African American managers of our stations will become even smaller than it is now.
- The number of African Americans with top management experience transferable to entrepreneurship will decline over time, yielding an even smaller pool of future African American station owners.

Each of these burdens will translate into comparatively lower profit ratios for our stations than similarly situated White owned stations -- thereby increasing the already intense pressure exerted by investors and financial institutions who wish to have our members sell their properties. By omitting any mention of these burdens on Black owned broadcasters, the NPRM almost surely violates the Regulatory Flexibility Act.

Worse still, the "small" and "small market" stations targeted by the NPRM are precisely the stations which many Black owners view as their primary competitors. Most Black owned stations are themselves small stations, and a disproportionate number are situated in small markets. By excusing our direct competitors from EEO responsibilities, the FCC will comparatively disadvantage Black owned broadcasters.

Finally, I am troubled by the NPRM's failure to seek proposals on how to reward truly outstanding EEO compliance.

Ministerial EEO compliance may be "good business" but the kind of truly exceptional EEO performance typical of Black owned stations is seldom justifiable purely on financial grounds; indeed, it has generally been its own reward. After the loss of the tax certificate policy, Black station owners are in desperate need of a regulatory initiative which will attract investment dollars to them, attract new station purchase opportunities to them, and attract the best qualified industry professionals to them. While the NPRM does propose some kind of exemption of stations with "good numbers" from some reporting requirements, that is not what Black broadcasters really want at all. We don't have any distaste for EEO procedures. What we need is a reward, with real economic value, for EEO performance above and beyond the call of duty.

The National Association of Black Owned Broadcasters speaks in harmony with this nation's leading civil rights organizations in calling for the FCC to revise its NPRM to take into account the genuine and profound harm to the public interest which will attend any cutbacks in EEO enforcement.

This statement is true to the best of my personal knowledge and is made under penalty of perjury under the laws of the United States of America.

Executed

James L. Winston

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# EXHIBIT 6

DECLARATION OF MACTO R. CAMARILLO

I, Mateo R. Camarillo, respectfully state as follows:
Since 1981, I have been a media investor. I currently have
ownership interests in six FCC licensed radio stations in
California.

with the death of the tax certificate policy, it has become infinitely more difficult for Hispanic media entrepreneurs to receive startup or acquisition financing. Before 1995, most minority station deals were predicated on the existence of the tax certificate policy, which I have utilized in the past. Now it's all we can do to hold onto what we've already acquired.

all we can do to hold onto what we've already acquired.
On top of this, the FCC's proposal to cut back on EEO enforcement is especially hard to swallow. We're being kicked when

we're down.
As a media investor, I have dealt regularly with broadcast station brokers. Some of them are excellent and their contributions to the industry are surely considerable. But I never cease to be amazed at how some of them stereotype Hispanics as being interested only in owning spanish former grations.

being interested only in owning Spanish format stations.

Brokers' perspective on Hispanic entrepreneurs is limited because they've had no exposure to the views of Hispanic employers. It should trouble the FCC that to this day there is only one minority broadcast station broker, and he's an independent. Not one White broker has ever trained even one minority broker.

In personality, social commitment and operating philosophy, broadcast brokers are very similar to most station owners. Broadcast brokering requires no college degree or any great genius.

Thus, if broadcast EEO enforcement is reduced or terminated, we can expect the broadcast industry's workforce -- especially radio stations' workforce -- to come to resemble the broadcast station brokerage business.

Hispanic broadcast station owners depend on a pool of well trained minority talent, including especially Hispanic talent, to share their cultural perspectives and diversity the broadcast content of their stations. If Anglo station owners need not hire and train Hispanics, Hispanic station owners will have to do all of the management development for Hispianics in-house on our limited budgets. On top of that, we will still find ourselves bearing the costs of training Hispanics who are then hired away by our Anglo competitors. Why should Anglo stations train Hispanics if (1) broadcasters are no longer required to do training for EEO purposes and (2) Anglo broadcasters can easily steal good Hispanic employees from Hispanic owned stations, and let the Hispanic owners bear the costs of training?

Thus, Hispanic station owners should have been identified in the FCC's Notice of Proposed Rulemaking as an additional party

"burdened" by any reduction in EEO enforcement.

This statement is true to my personal knowledge and is made under penalty of perjury under the laws of the United States of

America. Executed April 11, 1296 . Mater Camarillo Mateo Camarillo

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